



Lloyd's Certificate

This Insurance is effected with certain Underwriters at Lloyd's, London.

This Certificate is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose syndicate numbers and the proportions underwritten by them can be ascertained from the office of said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters hereby bind themselves severally and not jointly, each for his own part, and not one for another, their Executors and Administrators.

The Assured is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

All inquiries regarding this Certificate should be addressed to the following Correspondent:



16501 Ventura Blvd.
Suite 200
Encino, CA 91436
LIC #0677191
www.nasinsurance.com

CERTIFICATE PROVISIONS

1. **Signature Required.** This certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
2. **Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those individual Underwriters at Lloyd's, London whose names can be ascertained as hereinbefore set forth.
3. **Cancellation.** If this certificate provides for cancellation and this certificate is cancelled after the inception date earned premium must be paid for the time the insurance has been in force.
4. **Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, Underwriters, at the request of any person or entity insured hereunder, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be deemed to constitute a waiver of Underwriters' right to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court, as permitted by the laws of the United States or of any state, territory, or district in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named on the attached Declaration Page and that in such suit instituted against any one of them upon this Policy, Underwriters will abide by the final decision of such court or of any appellate court in the event of an appeal.
The above-named party is authorized and directed to accept service on behalf of Underwriters in any such suit upon the request of any person or entity to enter a general appearance on behalf of Underwriters in the event such a suit shall be instituted.
Further, pursuant to the applicable statute of any state, territory or district of the United States, Underwriters shall designate the Superintendent, Commissioner or Director of Insurance or other officer specified for the purpose in the statute or any successor in office, as Underwriters' true and lawful attorney, upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of any person or entity insured hereunder or any beneficiary hereunder arising out of this Policy, and hereby designate the firm or person named on the attached Declaration Page as the party to whom such officer is authorized to mail such process.
5. **Assignment.** This certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
6. **Attached Conditions Incorporated.** This certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached, or endorsed, all of which are to be considered as incorporated herein.
7. **Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

Short Rate Cancellation Table For Term of One Year

Days Insurance in Force	Per Cent of One Year Premium	Days Insurance in Force	Per Cent of One Year Premium	Days Insurance in Force	Per Cent of One Year Premium	Days Insurance in Force	Per Cent of One Year Premium
1	5%	66 - 69	29%	154 - 156	53%	236 - 260	77%
2	6	70 - 73	30	157 - 160	54	261 - 264	78
3 - 4	7	74 - 76	31	161 - 164	55	265 - 269	79
5 - 6	8	77 - 80	32	165 - 167	56	270 - 273 (9 mos.)	80
7 - 8	9	81 - 83	33	168 - 171	57	274 - 278	81
9 - 10	10	84 - 87	34	172 - 175	58	279 - 282	82
11 - 12	11	88 - 91 (3 mos.)	35	176 - 178	59	283 - 287	83
13 - 14	12	92 - 94	36	179 - 182 (6 mos.)	60	288 - 291	84
15 - 16	13	95 - 98	37	183 - 187	61	292 - 296	85
17 - 18	14	99 - 102	38	188 - 191	62	297 - 301	86
19 - 20	15	103 - 105	39	192 - 196	63	302 - 305 (10 mos.)	87
21 - 22	16	106 - 109	40	197 - 200	64	306 - 310	88
23 - 25	17	110 - 113	41	201 - 205	65	311 - 314	89
26 - 29	18	114 - 116	42	206 - 209	66	315 - 319	90
30 - 32 (1 mo.)	19	117 - 120	43	210 - 214 (7 mos.)	67	320 - 323	91
33 - 36	20	121 - 124 (4 mos.)	44	215 - 218	68	324 - 328	92
37 - 40	21	125 - 127	45	219 - 223	69	329 - 332	93
41 - 43	22	128 - 131	46	224 - 228	70	333 - 337 (11 mos.)	94
44 - 47	23	132 - 135	47	229 - 232	71	338 - 342	95
48 - 51	24	136 - 138	48	233 - 237	72	343 - 346	96
52 - 54	25	139 - 142	49	238 - 241	73	347 - 351	97
55 - 58	26	143 - 146	50	242 - 246 (8 mos.)	74	352 - 355	98
59 - 62 (2 mos.)	27	147 - 149	51	247 - 250	75	356 - 360	99
63 - 65	28	150 - 153 (5 mos.)	52	251 - 255	76	361 - 365 (12 mos.)	100

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
 1. Determine full annual premium as for insurance written for a term of one year.
 2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
 3. Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.

This Declaration Page is attached to and forms part of certificate provisions (Form SLC-3).

Previous No. 449129 Authority Ref. No. 111818 Certificate No. 452921

1 Named Insured: **The University of Montana - College of Health Professions and Biomedical Sciences**

Notice: This is a Claims-Made Policy. Please read this policy carefully and discuss the coverage with your insurance broker.

2 Policy Period:
Effective from **July 1, 2011 to July 1, 2012**
both days at 12:01 a.m. standard time at your address shown below.

3 Address of Insured: **32 Campus Drive**
Missoula, MT 59812-1512

4 Coverage: **HIPAA PROTECTOR**
Maximum Amount Reimbursable:
\$500,000.00 per Insured Event and \$500,000.00 in the Aggregate for all Insured Events made during the policy period.

Policy form P1818H-1104, Application form dated June 1, 2011, E1818HA-1104 and E1818HE-1104 are hereby attached and made a part of this policy.

Insurance is effected with certain UNDERWRITERS AT LLOYD'S, LONDON (100%)

5 Deductible: **\$5,000.00**

6 Co-Payment: **25% is your portion of participation for each and every Insured Event;**
waived for use of panel counsel

7 Premium: **\$7,125.00**

8 Service of Suit: **Mendes & Mount, LLP**
750 Seventh Avenue
New York, NY 10019-6829

9 Retroactive Date: **None. Unknown prior acts are covered.**

10 Authorized Representative:
NAS Insurance Services, Inc.
16501 Ventura Boulevard, Suite 200
Encino, California 91436
(818) 382-2030

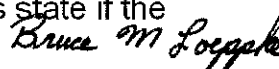
11 Dated **July 1, 2011** **NAS INSURANCE SERVICES, INC.**

By:



Correspondent

This policy is issued in an unauthorized insurer under the Surplus Lines Insurance Law, under a surplus lines insurance producer's license no. 714715 and it is NOT covered by the property and casualty guaranty fund of this state if the unauthorized insurer becomes insolvent.



HIPAA PROTECTOR

(Claims-Made and Reported Insurance)

THIS POLICY PROVIDES CLAIMS MADE AND REPORTED COVERAGE. CLAIMS MUST FIRST BE MADE AGAINST YOU DURING THE POLICY PERIOD AND MUST BE REPORTED IN WRITING TO US AS SOON AS PRACTICABLE DURING THE POLICY PERIOD OR WITHIN SIXTY (60) DAYS AFTER EXPIRATION OF THE POLICY PERIOD.

Legal expenses are included within the maximum amount reimbursable and will reduce the limits available to respond to the fines and penalties associated with violations the Health Insurance Portability and Accountability Act (HIPAA) privacy regulation(s).

Various Articles and provisions in this policy restrict coverage. Read the entire policy carefully to determine your rights, duties and what is and is not covered.

Throughout the policy the words "you" and "your" refer to the Named Insured shown on the Declaration Page. The words "we," "us," and "our" refer to the Underwriters providing this insurance.

In consideration of the payment of the premium and in reliance upon the statements, representations and warranties in the Application and its attachments and any materials submitted therewith, all of which are made a part of, and subject to, the Declaration Page and the various Articles of this policy (including any endorsements hereto), you and we agree as follows:

Article I. COVERAGE AGREEMENT

This policy will reimburse you, subject to the terms, definitions, exclusions and conditions set forth below ("terms"), for any *legal expense* and/or *fines or penalties* incurred by you arising out of an *insured event instituted* against you during the *policy period*. We have no duty to defend under this insurance, but only to reimburse for covered *legal expense* and/or *fines and penalties*. We have no duty to provide coverage under this policy unless there has been full compliance with all the conditions and provisions contained in this policy. The *maximum amount reimbursable*, deductible and *co-payment* amounts shall be as shown on the Declaration Page that forms part of this policy, and shall operate in accordance with the terms set forth below.

Article II. GENERAL POLICY CONDITIONS

- 1) All related proceedings, consolidated proceedings and proceedings arising out of the same events shall be considered as one *insured event*. Appeals and any post-trial proceedings shall be considered to be part of the original *insured event*.
- 2) As a condition precedent to payment of any benefit hereunder, you shall notify us within thirty (30) days from the date of an *insured event* being *instituted*.

- 3) This policy applies only if the *insured event*:
- a. Is first made against you in accordance with the WHEN COVERAGE IS PROVIDED and WHERE COVERAGE IS PROVIDED Articles;
 - b. Is first reported in accordance with the WHEN COVERAGE IS PROVIDED and WHERE COVERAGE IS PROVIDED Articles;
 - c. Takes place within the territory specified in the WHERE COVERAGE IS PROVIDED article.
- 4) This policy does not apply to *insured events* which arise from any facts, circumstances, situations, events, transactions, or causes which:
- a. Are underlying or alleged in any litigation or other notice pending on or prior to the initial inception date of this insurance; or
 - b. Are underlying or referred to in any judicial decree or judgment entered for or against any *insured* on or prior to the initial inception date of this insurance; or
 - c. Have been the subject of notice to an insurer under any policy of insurance, or the equivalent thereof, issued prior to the initial inception date of this insurance; or
 - d. You or any individual employed by you in a managerial or supervisory position knew or had reasonable basis to know may result in an *insured event* prior to the inception date of this policy.
- 5) Other Insurance: This policy shall be excess insurance over any other valid and collectible insurance available to you, whether such insurance is stated to be primary, pro rata, contributory, excess, contingent, or otherwise, unless such insurance specifically applies as excess insurance over the *maximum amount reimbursable* under this policy.
- 6) Cancellation: You may cancel this policy by mailing to us or our authorized representative, shown in Item 10 of the Declaration Page, written notice stating when thereafter such cancellation shall be effective. We may cancel this policy by mailing to you, at the address shown in this policy, written notice stating when not less than thirty (30) days thereafter, such cancellation shall be effective. The mailing of notice as described shall be sufficient proof of notice. The effective date and hour of cancellation as stated in the notice shall become the end of the policy period. Delivery of such written notice shall be equivalent to mailing. If you cancel, earned premium shall be computed in accordance with the attached short rate cancellation table and procedure. If we cancel this policy for non-payment of premium, we will mail to the *Named Insured* written notice stating when, not less than 10 days thereafter, such cancellation shall be effective. If payment is not received within the 10 day period then this policy will be cancelled ab initio, meaning coverage is null and void. The mailing of such notice shall be sufficient notice. Delivery of such written notice by Underwriters shall equivalent to mailing. If the foregoing notice period is in conflict with any governing law or regulation, then such period shall be amended to afford the minimum notice period permitted thereunder. If we cancel for any reason other than non-payment of premium, earned premium shall be computed pro-rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

Article III. SPECIAL CONDITIONS FOR REIMBURSEMENT

- 1) *Voluntary Self Disclosure*: In the event of any *finest and penalties* which arise out of *Voluntary Self Disclosure* of information by you to any government *entity* without inquiry, you must establish that the circumstances giving rise to the disclosure became known to you fortuitously and subsequent to the initial effective date of this insurance.
- 2) Reimbursement for *Fines and Penalties*: We will reimburse you for *finest and penalties* which are levied against you by a *government entity*, or for any settlement agreement or stipulated judgment to which we have given our prior consent. You shall not admit or assume any liability for *finest and penalties*, enter into any settlement agreement or stipulate to any judgment for *finest and penalties* without our prior written consent. Only those settlements or stipulated judgments for *finest and penalties* to which we have consented in writing shall be reimbursable under this policy. We will not unreasonably withhold our consent.
- 3) We will reimburse you for covered *legal expenses* and *finest and penalties*. You must pay for any *co-payment* due. We are entitled to require evidence of payment by you of the *co-payment* amount.

Article IV. DEFINITIONS

The italicized terms of this policy are defined as follows.

- 1) *Attorney(s)* shall mean an individual(s) duly licensed to practice law at the time and place the legal services are rendered.
- 2) *Co-payment* means the stipulated percentage as referenced in Item 6 of the Declaration Page, if applicable, of all *legal expenses* or *finest or penalties* you pay (over the deductible amount) per *insured event*.
- 3) *Fines or Penalties* shall mean administrative fines or penalties you are required to pay as a result of a *HIPAA v Proceeding*.
- 4) *Government entity* means:
 - a. Any department, agency, task force or other organization created by any United States federal or state law, regulation, rule or executive order; or
 - b. Any department, agency, task force or other organization operated, funded or staffed, in whole or in part, by the United States federal government or any state government
- 5) *HIPAA Proceeding* means proceeding by a *government entity* alleging violation of the Health Insurance Portability and Accountability Act (HIPAA) privacy regulation(s).
- 6) *Instituted*, when referring to any *Insured Event*, means the time formal written notice of said *Insured Event* is served upon or otherwise provided to you.
- 7) *Insured Event* shall mean and shall be limited to *HIPAA proceedings instituted* against you during the *policy period*, which results in *legal expense* or *finest or penalties*.
- 8) *Legal Expense* means an *attorney's* fees for legal services rendered and associated expenses. *Legal Expense* does not include:
 - a. Remuneration, salaries, wages, overhead, fees or benefits of any insured or the insurer;

- b. The costs associated with the adoption and implementation of any corporate integrity agreement, compliance program or similar provision regarding the operations of the insured's business negotiated as part of a settlement with or by order of a federal or state regulatory body.
- 9) *Maximum Amount Reimbursable* means the total dollar amount of covered *legal expense* and *fin es or penalties* that will be reimbursed for a *policy period* in respect of all *insured events instituted* during the *policy period*.
- 10) *Named Insured* means one of the following:
- a. a licensed physician and the professional corporation, if applicable, designated on the Declaration Page as the *insured*, and any current employees, directors and officers of the *insured*, but only for acts within the scope of their employment by the *insured*;
 - b. a Medical Group, as designated on the Declaration Page, that has been formed for the purpose of practicing medicine and performing medical services, but only if said entity employs physicians who are all insured under this coverage. If the medical group qualifies as a *Named Insured*, coverage under this policy will also extend to include all lawfully appointed directors/trustees, officers or employees;
 - c. a business entity, as designated on the Declaration Page, that performs billing for healthcare services and/or patient record keeping. Coverage under this policy will also extend to include all lawfully appointed directors/trustees, officers or employees
- 11) *Policy Period* means the period between the beginning and end dates shown on the Declaration Page. Coverage may be canceled or otherwise terminated before the end date.
- 12) *Reimbursement* means we pay for *legal expenses* or *fin es or penalties* you incur as a result of an *insured event* being *instituted* against you during the *policy period*, subject to any applicable deductible or *co-payment* amounts, up to the *maximum amount reimbursable*. Actual payment by you for *legal expenses* is not a condition precedent to reimbursement.
- 13) *Voluntary Self Disclosure* means that information which may serve as grounds for a *HIPAA Proceeding* against you becomes known to you fortuitously and subsequent to the initial effective date of this insurance, and you in turn disclose said information to any *government entity*.

Article V. EXCLUSIONS

No benefits shall be payable hereunder for *legal expenses* or *fin es or penalties*:

- 1) Incurred in disputes with respect to this insurance, including questions as to whether *legal expenses* or *fin es or penalties* are reimbursable under this policy;
- 2) If the *legal expenses* or *fin es or penalties* arise out of any matter that you have acted with another to *institute* or have *instituted*. This exclusion does not apply to *voluntary self disclosure*;
- 3) Incurred in defense of criminal prosecution which can result in criminal fine or incarceration in a jail or penal institution.

- 4) Arising out of any circumstance or event of which you were aware prior to the initial policy effective date which you reasonably knew or should have known would result in such *legal expense* or *finer or penalties*;
- 5) Arising out of any matter other than an *insured event*;
- 6) Any payment of monies, punitive damages, exemplary damages or any additional damages resulting from the multiplication of compensatory damages, or any other amounts which are or may be deemed uninsurable under the law under which this Policy shall be construed;
- 7) Relating to any professional liability errors or omissions other than those specifically covered by this Policy;
- 8) Relating to any medical malpractice, bodily injury, sickness, disease, death, emotional distress, personal injury of any person or damages to or destruction of any first party or third party tangible or intangible property, including the loss of use thereof.
- 9) Incurred by a consulting professional whose services were not previously approved by us.
- 10) Arising out of any actual or alleged liability of any *Named Insured* under any contract or agreement, but this exclusion shall not apply to the extent that such liability would have attached to the *Named Insured* and would have been insured by this policy even in the absence of such contract or agreement.

Article VI. WHEN COVERAGE IS PROVIDED

- 1) This policy applies only to circumstances which are first reported to us or *insured events* which are first made or brought while this policy is in effect or during the Limited Reporting Period, if applicable.
- 2) Limited Reporting Period means the sixty (60) day period starting with the end of the *policy period* during which *insured events* are first *instituted*.

The Limited Reporting Period does not extend the policy period nor change the scope of coverage provided. Coverage under the Limited Reporting Period is limited to claims because of *insured events* that happen prior to the expiration of the *policy period*, and which are otherwise covered by this policy.

- 3) When the Limited Reporting Period will apply: The Limited Reporting Period will apply if this policy is cancelled or not renewed (a) by us for any reason other than non-payment of premium or (b) by you for any reason. Coverage under the Limited Reporting Period may not be cancelled. A change in the premium or conditions we require shall not be deemed non-renewal by us.
- 4) How to add an Extended Reporting Period. If the Limited Reporting Period applies, an Extended Reporting Period of twelve (12) months can be purchased with the payment of an additional premium of one hundred percent (100%) of the last annual policy premium amount.

The Extended Reporting Period Endorsement will not be issued unless we receive a written request for it within thirty (30) days after this policy ends, nor will it take effect unless the additional premium is paid within thirty (30) days after this policy ends. Once that premium is paid, the Extended Reporting Period may not be cancelled by us and the premium will be fully earned.

The Extended Reporting Period does not extend the policy period nor change the scope of coverage provided. Coverage under the Extended Reporting Period is limited to claims because of *insured events* that happened prior to the expiration of the *policy period*, and which are otherwise covered by this policy.

- 5) How the *Maximum Amount Reimbursable* applies to the Limited and Extended Reporting Periods. The *Maximum Amount Reimbursable* that applies to the *policy period* is not renewed or increased and the *Maximum Amount Reimbursable* shown on the Declaration Page shall not be increased by the addition of either Limited or Extended Reporting Periods. The Limited Reporting Period or Extended Reporting Period will not apply to claims if other insurance you buy covers them or would cover them if its limits of coverage had not been exhausted.

Article VII. WHERE COVERAGE IS PROVIDED

This policy covers *insured events* brought anywhere in the United States of America.

Article VIII. CHOICE OF COUNSEL

We do not assume any duty to defend under this policy.

Upon receiving notice from you of an *insured event*, we will provide you with the name(s) of panel counsel. If you retain panel counsel to defend yourself in connection with an *insured event*, we will, subject to the other provisions of this Policy, pay 100% of covered *legal expenses* and *finer or penalties* in excess of the deductible up to the *maximum amount reimbursable*, less any amounts previously reimbursed or reimbursable. If you retain non-panel counsel to defend yourself in connection with an *insured event*, we will pay 75% of covered *legal expenses*, and you must pay a *co-payment* of 25%. Rates for non-panel counsel will be limited to a maximum per hour of \$200. All counsel, panel or non-panel, must comply with our reasonable parameters. However, you shall have complete freedom of choice with respect to the selection of the licensed *attorney* who provides legal services in respect of which *legal expenses* are reimbursable under this agreement.

Article IX. REIMBURSEMENT

You will be reimbursed only for *legal expenses* incurred in respect of legal or audit services actually rendered, and *finer or penalties* actually incurred or due as a result of an *Insured Event*.

Article X. RECOVERY AND SUBROGATION

We shall be entitled to recover from you any and all benefits paid by us to you under this policy which you have otherwise received from any other party in respect of the covered action. If we become liable for any payment under this insurance in respect of *legal expenses* or *finer or penalties*, we shall be subrogated, to the extent of such payment, to all your rights and remedies against any party in respect of such *legal expenses* or *finer or*

penalties, and shall be entitled at our own expense to sue, mediate or arbitrate in your name. You shall give us all such assistance in your power as we may require to secure our rights and remedies and at our request, you shall execute all documents necessary to enable us to effectively bring suit or demand mediation or arbitration in your name.

Article XI. MEDIATION AND ARBITRATION

In the event any controversy, claim or dispute arises out of or relates to this policy, the first attempt to resolve such controversy or claim shall be by formal mediation. Formal mediation is the non-binding process by which a qualified mediator, chosen with our agreement and yours, meets and intercedes with us in order to reach a resolution. In order to be considered formal mediation under this policy the process must be of a kind set forth in the Commercial Mediation Rules of the American Arbitration Association. We, at our sole option, may recognize any other mediation process presented for approval.

If you and/or we exhaust all mediation procedures and the controversy, claim or dispute remains unresolved, you and we agree that the final and binding means of resolution shall be arbitration. You and we will go to arbitration in accordance with the then current rules of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction thereof. The arbitrator shall have the power to decide any dispute between us concerning the insurance and said arbitrator shall have no power to change, or add to the provisions of this agreement.

The Insured and Underwriters shall share equally in the cost of mediation and/or arbitration.

Article XII. FALSE OR FRAUDULENT NOTIFICATION OF CLAIMS TO THE INSURER

If any *Named Insured* shall commit any false or fraudulent act in connection with the making of a claim under this Policy, this Policy shall be rendered null and void as to that *Named Insured*.

Article XIII. APPLICATION

By acceptance of this Policy, you agree that:

- 1) The statements in the application, its attachments and accompanying materials, if any, are true and correct representations;
- 2) Each representation shall be deemed material;
- 3) This Policy is issued in reliance upon the truth of said representations; and
- 4) This Policy embodies all agreements existing between you and us in connection with this Policy.

Article XIV. CHANGES

Notice to any agent acting on your behalf or knowledge possessed by any such agent or any other person shall not act as a waiver or change in any part of this Policy. Notice to any agent will not prevent you from asserting

your rights under this Policy. This Policy will not be waived, changed or modified except by written endorsement issued to form a part of this Policy and signed by us.

Article XV. ALTERATION AND ASSIGNMENT

No change in, modification of or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy signed by us.

Article XVI. AUDIT

We may examine and audit your books and records at any reasonable time, requested by us, during the *Policy Period* and/or within three years after the final termination of this Policy, as far as they relate to the subject matter of this Policy.

Article XVII. ACTION AGAINST THE INSURER

No action shall lie against us unless there has been full compliance with all of the terms and conditions of this Policy, including the Arbitration provisions of Article XI, and both your liability and the amount of your obligation to pay has been finally determined either by judgment against you after trial or by agreement in writing by you, those instituting the *Insured Event* or their legal representative and us.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join us as a party to the action against you to determine our liability, nor shall we be impleaded by you or any of your legal representative thereof.

NAS Insurance Services, Inc.

By:



On behalf of the Underwriters
providing this insurance.

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FORM P1818H-1104

HIPAA PROTECTOR ENDORSEMENT

U.S.A.

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT – E1818HA-1104

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances or the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction
 - (a) with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

All other terms and conditions of the Policy remain unchanged.

- (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this Endorsement:

"**hazardous properties**" include radioactive, toxic or explosive properties; "**nuclear material**" means source material, special nuclear material or byproduct material; "**source material**", "**special nuclear material**", and "**byproduct material**" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "**spent fuel**" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "**waste**" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"**nuclear facility**" means

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, 2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "**nuclear reactor**" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

With respect to injury to or destruction of property, the word "**injury**" or "**destruction**" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

***NOTE:** As respects policies which afford liability coverage and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

17/3/60

N.M.A. 1256

This endorsement is to take effect on July 1, 2011.

Policy No.: 452921

Name: The University of Montana - College of Health Professions and
Biomedical Sciences

Policy Effective Date: July 1, 2011 Expiration: July 1, 2012

Endorsement No.: 1

All other terms and conditions of the Policy remain unchanged.

HIPAA PROTECTOR ENDORSEMENT

EXCLUSION – E1818HE-1104

Notwithstanding anything contained herein to the contrary, it is understood and agreed that under Article V. EXCLUSIONS, the following is hereby added:

- 11) In connection with any services other than the Pharmacy Experimental Program

This endorsement is to take effect on July 1, 2011.

Policy No.: 452921

Name: The University of Montana - College of Health Professions and
Biomedical Sciences

Policy Effective Date: July 1, 2011 Expiration: July 1, 2012

Endorsement No.: 2

All other terms and conditions of the Policy remain unchanged.



16501 Ventura Blvd.
Suite 200
Encino, CA 91436
LIC #0677191
www.nasinsurance.com

The following is the breakdown of Lloyd's Syndicates for 2011

Contract No. 111818 (effective 1/1/2011 – 1/1/2012)

<u>Percentage</u>	<u>Lloyd's Syndicate</u>	<u>Pseudonym</u>
22.18%	807	SDM R.J. Kiln & Co., Ltd.
4.83%	510	KLN R.J. Kiln & Co. Ltd.
20.06%	2001	AML Amlin Underwriting Ltd.
13.05%	958	GSC Omega Underwriting Agents, Ltd.
6.04%	727	SAM S.A. Meacock & Co. Ltd.
3.57%	1084	CSL Chaucer Syndicates Ltd.
4.50%	2791	MAP Managing Agency Partners Ltd.
8.16%	4020	ARK Ark Syndicate Management Limited
17.61%	570	ATR Atrium Underwriters, Ltd.
100.00%		



NAS Insurance Services, Inc.

Application for: HIPAA Protector and MEDEFENSE PLUS (CLAIMS MADE)

RECEIVED

MAY 13 2011

Risk Management &
Tort Defense Division

The insurer agrees to use all information provided in this Application solely in connection with the proposed insurance.

If a material change occurs to any of the answers given below prior to the inception of any insurance, the Applicant must notify the insurer, and at the sole discretion of the insurer, any outstanding quotations may be modified or withdrawn.

The particulars, representations and statements contained in this Application and any other information submitted are the basis for the proposed insurance and will be considered as incorporated into and constituting part of the proposed certificate and/or policy.

This Application must be completed in type or ink by the Applicant. All questions must be answered for a quotation to be given. If more space is needed, please continue your answers on a separate sheet and attach it to this form.

The completion and signing of this Application does not bind the Applicant or the insurer to a policy or certificate of insurance.

I. General Information

1. Name of Applicant: The University of Montana College of Health Professions & Biomedical Sciences
Address: 32 Campus Drive, The University of Montana
City: Missoula State: MT Zip: 59812-1512
Telephone Number: (406) 243-4621 Fax Number: (406) 243-4209
2. Type of entity: ☐ Incorporated ☐ LLC ☐ Partnership ☐ Joint Venture ☐ Sole Proprietorship ☒ Non Profit ☐ Other
If Other, describe: _____
3. If the entity cited above is a partnership, who is the General Partner? N/A
4. Date of the formation of the entity cited above: 1893
5. Nature of business operations: ☐ Physician ☐ Medical Group ☐ Hospital ☐ Billing Entity ☒ Other
Educational Institution
6. Other operational locations and descriptions (Use separate sheet if necessary):

7. Are you a "Covered Entity" under the Health Insurance Portability and Accountability Act (HIPAA)? ☒ Yes ☐ No
8. Annual Revenues: Current Year _____ One Year Ago \$258,933,263 Two Years Ago \$246,562,952
9. Do you have independent audited financials? ☒ Yes ☐ No
Please attach a copy of your financial statements, whether audited or unaudited.

10. Do you have Directors and Officers Liability Insurance or Partnership Errors and Omissions Insurance? ☒ Yes ☐ No
11. Do you have Managed Care Errors and Omission Insurance? ☐ Yes ☒ No

II. Compliance

1. a. Which compliance/audit software system do you utilize? None
b. When was it installed? _____
2. Do you have a Compliance program in place? ☒ Yes ☐ No
a. For Billing Errors? ☐ Yes ☒ No
If Yes, when was it implemented? _____ Please provide a copy.
If No, please explain why: We do not bill
Are you willing to implement one? ☐ Yes ☒ No
If Yes, within what time frame: _____
b. For HIPAA? ☒ Yes ☐ No
If Yes, when was it implemented? 2003 Please provide a copy.
If No, please explain why: _____
Are you willing to implement one? ☐ Yes ☐ No
If Yes, within what time frame: _____
c. Do you give each patient notification of their privacy rights? ☐ Yes ☐ No
3. Do you have a compliance officer/manager? ☒ Yes ☐ No
a. If Yes, who is it, how is he/she qualified, and to whom does he/she report? Lori Morin, MBA, Assistant Dean for Student Affairs, who reports to David Forbes, Dean of the College.
b. If No, who ensures compliance? _____
4. Do you use an outside compliance consultant? ☐ Yes ☒ No
If Yes, who? _____
5. Who is your legal counsel for compliance issues? David Aronofsky, UM Legal Counsel
6. Who is your CPA firm for compliance issues? N/A
7. How often are billing reviews performed and by whom? N/A

After completing Sections I and Section II, please fill out only the following Section(s) which refer(s) to your category(ies).

Please see attached materials.

III. Physician/Medical Group

1. a. Do you have a group affiliation? ☐ Yes ☐ No
If Yes, please describe: Not Applicable
b. How many physicians make up your group? _____
c. How many physicians are on your staff in your group? _____
What is/are your specialty/specialties? (Use separate sheet if necessary)

2. Have you acquired any practices in the last 5 years? ☐ Yes ☐ No
If Yes, please provide specific details, including size, dates, what specialty/specialties were involved and what the Medicare/Medicaid billings were as a percentage of the total practice for each of the past five years.
(Use separate sheet if necessary)

3. Please attach a listing of Medical Malpractice Insurers and policy limits of all physicians in your group.

- 4 a. Total annual projected billings: _____
b. Percentage of annual projected billings attributable to Medicare Patients: _____ %
c. Percentage of annual projected billings attributable to Medicaid Patients: _____ %
d. What have Medicare/Medicaid billings been for each of the past three years?

<u>Year</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____

5. Do you handle billings for any hospitals? ☐ Yes ☐ No
If Yes, please describe these services on a separate sheet.

6. Medicare Provider Number: _____ Any other Medicare/Medicaid provider numbers? ☐ Yes ☐ No
If Yes, for which entity(ies)? _____

Please list separate number(s) and corresponding entity(ies).

7. Have you ever used a contingency fee based billing consultant? ☐ Yes ☐ No
If Yes, please explain: _____

IV. Hospital

1. Type of Institution:

☐ Acute Care Hospital ☐ Teaching Hospital ☐ Community Teaching Hospital ☐ Community Hospital
☐ For Profit ☐ Non Profit

2. Do you own any physician groups? ☐ Yes ☐ No
Date(s) acquired or incepted: Not Applicable

3. Gross Revenues: _____
Gross Medicare Revenue: _____
Total number of Medicare billings:
2001: _____
2002: _____
2003: _____

Gross Medicaid Revenue: _____
Total number of Medicaid billings:
2001: _____
2002: _____
2003: _____

4. **In-patient:**

- a. Number of beds: _____
- b. Average length of stay: _____
- c. Occupancy Rate (%): _____
- d. % of Medicare/Medicaid admissions to total admissions: _____

5. **Out-patient:**

- a. Number of out-patient bills: _____
- b. Estimated % of bills to Medicare: _____
- c. Estimated % of bills to Medicaid: _____
- d. Billing as a % of Medicare bills: _____
- e. Total number of physicians employed: _____

Number of physicians employed by the following services:

Emergency services _____
Medical services _____
Surgical services _____
Laboratory services _____
Home health care services _____
Physicians _____
Other _____

6. Medicare Provider Number: _____ Any other Medicare/Medicaid provider numbers? ☐ Yes ☐ No
If Yes, for which entity(ies)? _____

Please list separate number(s) and corresponding entity(ies).

7. Have you ever used a contingency fee based billing consultant? ☐ Yes ☐ No
If Yes, please explain: _____

V. Billing Entity and All Other Entities

1. Description of services provided/performed; Not Applicable

- 2 a. Total annual projected billings: _____
b. Percentage of annual projected billings attributable to Medicare Patients: _____ %
c. Percentage of annual projected billings attributable to Medicaid Patients: _____ %
d. What have Medicare/Medicaid billings been for each of the past three years?

<u>Year</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____

3. Do you handle billings for any hospitals? ☐ Yes ☐ No

If Yes, please describe these services on a separate sheet.

4. Do you have a Medicare provider number? ☐ Yes ☐ No
If Yes, please provide: _____

VI. Experience

To be completed by all Applicants.

After inquiry, have you or any member of your staff or any person or entity for whom you perform billing services ever:

1. Been investigated or sanctioned by any local, state or federal government agency or private payor regarding the delivery of health care services or reimbursement thereof? ☐ Yes ☒ No
2. Had to refund amounts to Public and/or Private payers? ☐ Yes ☒ No
If Yes, how much? Public: \$ _____ Private: \$ _____
3. Been audited or investigated with regard to Medicare/Medicaid billing practices or utilization of Medicare/Medicaid services? ☐ Yes ☒ No
4. Been accused of errors by any government agency or commercial payer? ☐ Yes ☒ No
5. Do you have knowledge of any claims or facts, circumstances, situations, events or transactions that may result in a claim which may be covered by the proposed policy? ☐ Yes ☒ No

If answer to any of the above questions is "Yes", please explain on a separate sheet of paper.

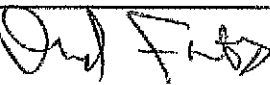
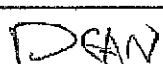


The undersigned warrants and represents that, to the best of his or her knowledge, the statements herein are true and that reasonable efforts have been made to obtain sufficient information to facilitate the proper and accurate completion of this Application. It is represented that the particulars and statements contained in the Application, and any materials submitted (which shall be on file with the insurer and shall be deemed attached, as if physically attached) are the basis for the proposed insurance and are to be considered incorporated into and constituting a part of the proposed insurance.

The undersigned agrees that in the event this Application contains misrepresentations or fails to state facts materially affecting the risk assumed by the insurer, any insurance issued shall be void in its entirety.

The undersigned agrees that if after the date of this Application and prior to issuance, any occurrence, event or other circumstance should render any of the information contained in this Application inaccurate or incomplete, the undersigned shall notify the insurer of such occurrence, event, or circumstance and shall provide the insurer with information that would complete, update or correct the information contained in this Application. Any outstanding quotations may be modified or withdrawn at the sole discretion of the insurer.

The insurer is hereby authorized to make any investigation and inquiry in connection with this Application as it may deem necessary.

Severability: No knowledge or information possessed by any insured person will be implied to any other insured person except for materials facts or information known to the person or persons who signed the Application. In the event that any of the particulars or statements in the Application are untrue, this policy will be void with respect to any insured person who knew of such untruth or to who such knowledge is implied.

BY 	TITLE 	DATE 3-14-11
		6-1-11



NAS Insurance Services, Inc.

Form NAS MED + App 5-04
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Lloyd's London

